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Application of the Korean Qualification Framework in the Labor Market

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1. Purpose of the Study

While the Korean government has been trying to establish the Korean Qualification Framework(KQF) with a view to ‘break away from a credential society,’ not enough reviews have been made on how to utilize KQF in the labor market. Against this backdrop, the purpose of this study is to examine whether KQF has taken root in a way to be actively utilized in the labor market, identify the problems, if any, and come up with measures to resolve the problems.

2. Study Methodologies

The methodologies used in this study to achieve the goals stated above involve literature reviews, experts consultation, global meetings, case studies and surveys. The surveys were conducted toward those concerned with ISC, corporate field experts and members of the KQF task force and working group.

3. Study results

First, the 8 level system of the current KQF was examined. As a result of a review over whether the descriptors are appropriate, it was found out that the competencies are not expressed in a specific way. Moreover, the distinction between levels are not clear and it is not easy to predict the study contents and level of difficulty of degrees and qualifications. These facts indicate a need to more specify those KQF indicators, especially abstract ones.

Second, according to a review over the KQF guidelines, there is no agreement on

defining the scope and managing the quality of those qualifications to fall under the framework and thus it is needed to come up with agreements in the near future. In addition, standards regarding linkages among qualifications of KQF need to be prepared from a more diverse perspectives. Meanwhile, it was found out that both KQF and SOF are not taking proper roles due to the inappropriate division of roles between them. For successful establishment of SQF, KQF should provide more guidelines.

Third, as for the utilization demand of KQF in the labor market, which is necessary for desirable application of the framework, the survey revealed that there is a high demand. In detail, about 80.4% of respondents said that KQF should be utilized in human resources management (employment, promotion, deployment, employees education, evaluation and career development of employees).

Fourth, for the sake of proper utilization of KQF in the labor market, it is important to create conditions in which KQF-friendly practices are put in place. That is, the human resources management (HRM) should be more based on the competency-oriented system breaking from the conventional seniority-based one. According to the survey, however, the rate of companies under the seniority-based HRM management system was as large as 52.9%, while those adopting the competency-based system and job-based system were 29.4% and 17.6% respectively. Therefore, in order to create a KQF-friendly environment in the labor market, it is required for companies to combine the two latter systems for operation.

Fifth, considering the fact that establishment of KQF involves various policy areas, it is desirable for interested parties from a variety of fields to come in but it turned out that only a small number of ministries are taking part. Looking at the Ministry of Education, for example, only those in charge of vocational education policy are participating, while those engaged in general education are not. The survey also showed that while full-fledged participation of businesses particularly in terms of labor-management partnership is critical for successful application of KQF in the labor market, the reality turned out to be unsatisfactory. Laying down KQF should be carried out in a way to promote its utilization and if not, the whole efforts would be meaningless. To this end, the roles of business owners organizations and labor unions need to be further strengthened in the process of building up the framework.